



**Request for City Council Committee Action
From the Finance Department**

Date: 6/25/02
To: Ways and Means Committee
Referral to: None

**Subject: Workers Compensation Claim Settlement for John Frazer,
Minneapolis Police Department**

Recommendation: Proper City Officials be authorized to enter into a full, final and complete settlement with John Frazer for \$235,000 and complete the necessary contracts to purchase an annuity as part of this settlement. The settlement provides for \$100,000 lump sum payment and \$135,000 applied to the purchase of an annuity. The City of Minneapolis will be reimbursed from the Special Compensation Fund at 100%, for a total reimbursement of \$235,000. Payment to be made from: Fund 6900, Agency 145, Org 1451, Reporting Category 4000.

Previous Directives: None

Prepared or Submitted by: Robert Knight, Risk Manager, 673-3200
Cindy Krepela, Claim Coordinator, 673-2006

Approved by: Patrick Born, City Finance Officer Patrick Born

John Moir, City Coordinator John Moir

Presenters in Committee: Robert Knight, Risk Manager

Financial Impact (Check those that apply)

☒ No financial impact - or - Action is within current department budget.
(If checked, go directly to Background/Supporting Information)

- ☐ Action requires an appropriation increase to the Capital Budget
- ☐ Action requires an appropriation increase to the Operating Budget
- ☐ Action provides increased revenue for appropriation increase
- ☐ Action requires use of contingency or reserves
- ☐ Other financial impact (Explain):

☐ Request provided to the Budget Office when provided to the Committee Coordinator

Community Impact (use any categories that apply)

- ☐ Neighborhood Notification
- ☐ City Goals
- ☐ Comprehensive Plan
- ☐ Zoning Code
- ☐ Other

☒ Not applicable

Background/Supporting Information Attached:

As a result of a surplus amount in the State General Fund of the Department of Labor and Industry, the Legislature, with the approval of the Governor, has awarded monies to the Special Compensation Fund (SCF) to settle old workers' compensation cases currently eligible for Supplemental and/or Second Injury Fund benefits. These benefits are originated by the employer/insurer and are reimbursed yearly by the Special Compensation Fund.

The workers' compensation case of Mr. Frazer was targeted by the Special Compensation Fund for settlement. The amount of \$235,000 has been agreed on by all parties. Of this amount the City is liable for 0%. The total amount of \$235,000 will be reimbursed to the City within 30 days upon request to the Special Compensation Fund.

These settlements allow the Special Compensation Fund and the City of Minneapolis to close old claims and reduce future exposure.